THE MINISTER OF POWER, MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF NON-CONVENTIONAL ENERGY SOURCES (SHRI P. R. KUMARAMANGALAM): (a) the main difficulties for development of Small Hydro Power Projects in the North-Eastern States include High Capital Cost due to remote location and lack of enabling infrastructure, poor law and order in internal/remote areas, high cost of supply of power due to scattered load centres with very low load density and non-availability of matching funds/ department's share for completing the projects.

(b) The Power Finance Corporation has been regularly interacting with the North-Eastern States for the development of Small Hydro Power Projects in the region through workshops, seminars, senior officials meets etc. During the recent senior officials meeting on 18th January, 1999, it was concluded that the region must promote its hydro-electric development and adopt the concept of cost & profit centres and Model Distribution Management (MDM) alongwith a shift towards commercial operation of its Electricity Departments. The Power Finance Corporation is also offering interest subsidy for eligible on-going Hydro Power Projects of the Region under its Accelerated Generation & Supply Programme at 5% below its normal lending rates on the disbursements made during the 9th Five Year Plan.

Power Generation by Private power projects

876. SHRI YERRA NARAYANASWAMY: Will the Minister of POWER be pleased to state:

(a) whether Government's attention have been drawn to the news item appearing in the Hindustan Times dated 14.2.1999 captioned "PVT PROJECTS up to 20,000 crores may bypass CEA" if so, the details thereof;

(b) whether the State Governments have been consulted on this proposal;

(c) whether it is a fact that State Government and their Electricity Boards do not have the necessary technical skills to assess mega-power projects; and

(d) if so, the reasons for bypassing the CEA?

THE MINISTER OF POWER, MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF NON-CONVENTIONAL ENERGY SOURCES (SHRI P. R. KUMARAMANGALAM): (a) Yes, Sir.

(b) to (d) The matter is under consideration in consultation with the concerned agencies of Government of India.

Potential sites for Power Generation in Andhra Pradesh

877. SHRI YERRA NARAYANASWAMY: Will the Minister of POWER be pleased to state:

(a) whether National Hydel Power Corporation has located any potential sites in Andhra Pradesh for power generation;

(b) if so, the details of such sites;

(c) what is the criteria adopted by NHPC in surveying potential sites in different States;

(d) whether NHPC has not followed any specific guidelines in this regard; and

(e) the steps proposed to formulate guidelines in this regard?

THE MINISTER OF POWER, MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF NON-CONVENTIONAL ENERGY SOURCES (SHRI P. R. KUMARAMANGALAM): (a) and (b) Ministry of Power has proposed to the Government of Andhra Pradesh for the funding and execution of Priyadarshani Jurala Hydroelectric Scheme (6×39.6 MW) by utilising the surplus water